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REDA

Regional Economic Development Alliances

Annual Review

BUILDING POWERFUL PARTNERSHIPS

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Building Powerful Partnerships

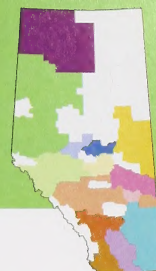
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**“If you want to
be incrementally better be
competitive. If you want to
be exponentially better
be cooperative.”**

—Author Unknown

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Why Regional Alliances?



Communities Working Together

What creates a living community? People, of course, but people need good jobs, homes, schools, hospitals, roads and entertainment. Having all those depends on having a good economy that creates business and employment opportunities and attracts people and investment.

While Alberta is full of opportunities and resources, it's often difficult for urban and rural communities, including our major cities, to take on long-term economic development projects on their own.



Whether mapping out ring road construction, setting up new tourist attractions or trying to draw skilled workers to local businesses, cities and towns have found that working with their neighbours increases their chances of success. Regional economic development alliances (REDAs) grew from this realization.

Within each alliance, communities brainstorm a shared vision of their economic future, then work together to make that vision real. Through collaboration and cooperation these alliances enhance local economic development capacity and, as a regional entity, undertake projects that their individual members would be unable to do alone. The economies of scale created through regional alliances improve the competitiveness of Alberta's communities and regions.

Does cooperation work? Well, numbers tell part of the tale: the number of REDAs formally supported by Alberta Economic Development grew from eight to 11 in 2004-05. But that's only one way to measure success. Innovation, professionalism, a strong client focus and long-term commitment to a goal are also important. The following pages feature some of the economic development activities of Alberta's REDAs this year—and how they meet the measures of success.

WHY REGIONAL ALLIANCES?

- Economic development experts recognized that regional cooperation could lead to economic success.
- Alberta Economic Development wanted a better way to deliver services.
- The Alberta Economic Development Authority pointed out that rural communities outside the Edmonton-Calgary corridor needed improved economic development support.
- Communities realized that it was difficult to compete on their own in the global economy, and were looking for creative ways to cooperate.

Evolution of Regional Alliances

Piloting a New Approach

Economic development is challenging for communities, especially those with limited resources. So the search for new ways to work together continues, and in the late 1990s an approach with great potential surfaced in Alberta.



“Many communities... thought of each other as competitors for economic development. We had to reshape that thinking.”

— Gail Surkan

In 1998, Alberta Economic Development (AED) launched a pilot regional alliance project with a group of central Alberta communities. “AED was restructuring and considering serving our area from Calgary, rather than from a central Alberta office,” recalls Gail Surkan, former Mayor of Red Deer and former chair of the Central Alberta Economic Partnership (CAEP). “We were very concerned this would reduce critical support in our area, so we put together a proposal to become contractors, delivering AED’s services through a local ‘co-op’. Instead, AED suggested that we become their partner in a newly formatted regional organization.”

CAEP was formed and, in cooperation with AED, built new models for planning and governance to further regional economic development services.

The pilot led to the Regional Alliance Strategy of 2000. Its approach to economic development was flexible, innovative, and based on partnerships and trust relationships. Above all, it worked from the grassroots up. Alliances would be created and run by local leaders, not the provincial government. Communities would cooperate and collaborate based on their

own priorities, in ways that combined local strengths to take advantage of regional, provincial and global opportunities.

To launch the idea, AED held local and regional information meetings, visioning sessions and provincial conferences. There were challenges. “Many communities had good relationships, but still thought of each other as competitors for economic development,” explains Surkan. “We had to reshape that thinking, so that all the communities saw themselves as sharing the same future. We had to build trust across communities of different sizes with wide variances in economic capacity.”

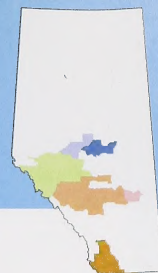
The emergence of local champions was critical to promoting the idea of alliances.

Staff in AED’s 11 regional offices, supported by the head office in Edmonton, worked with each new alliance to develop business plans and annual operating plans. As alliances matured, AED’s activity shifted to helping them with specific projects, facilitating relationships with potential industry partners and plugging them into the broader economic development support structure, such as international offices and expertise in other provincial ministries.

A Think Tank Expanded

In the late 1990s, the closure of coal mines and a downturn in the forestry industry meant that communities in Alberta’s west central region were struggling to hang on to residents. The mayors and reeves of Edson, Hinton, Grande Cache and Yellowhead County, met to discuss ways to counteract migration from the region. “We created a think-tank focused on employment issues,” according to Glenn Taylor, chair of the Grande Alberta Economic Region (GAER). “That group, which called itself the West Central Alberta Mayors and Reeves Caucus, found that they worked well together, and wondered if they could do so on a broader scale.”

How They Began



The caucus made presentations to leaders in other area communities, which led to the formation of the West Central Economic Region in late 2000. New members were Drayton Valley, and Woodlands County. More municipalities joined over the next year, creating **GAER**. By 2004-05, **GAER** boasted 13 member communities. The alliance focuses on building regional cooperation, encouraging economic diversification and sustainability, and promoting the region's quality of life and investment opportunities.

Coming Together for GROWTH

In north central Alberta, communities were beginning to notice a drop in school enrolment, a sign that young families were leaving or not coming to the area. The issue prompted discussions among municipal leaders in 2001, and led to the creation of the Grizzly Regional Economic Alliance Society, or **GROWTH**, in 2002. The alliance is committed to building economic, social and political environments that support sustainable and diversified regional growth.

School divisions were involved in creating the alliance and framing its vision and goals, and continue to be members. Schools are a vital part of every community and in smaller communities serve a variety of functions. "The partnerships with our school divisions really underline the idea that community development issues are intimately tied to economic development issues," notes **GROWTH** chair Clayton Jespersen. "We can benefit from having community interests at the table when we look at our economic strategies."

"The partnerships with our school divisions really underline the idea that community development issues are intimately tied to economic development issues."

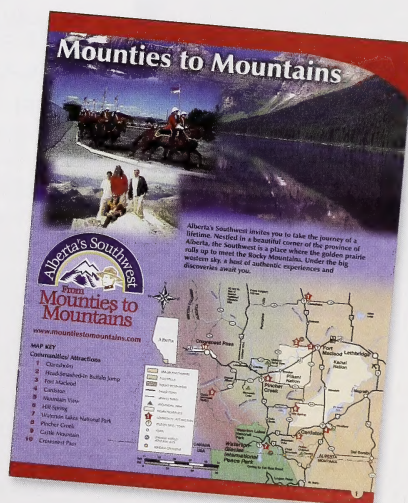
– Clayton Jespersen

A Meeting of Minds

In 1998, the mayor of Pincher Creek, Art Bonertz, organized a meeting with the mayors of Fort Macleod, Crowsnest Pass, Cardston and Claresholm to look at how they could help each other manage municipal government. "I wanted to know what other municipalities were doing, and I thought we could hammer out some ideas together," says Bonertz. He felt that, collectively, the mayors could come up with better ways to run their own governments.

They immediately focused on the potential of the tourism industry in the area. The five communities pooled money and staff resources and created a regional brochure to showcase regional attractions, including world-class sites such as Head-Smashed-In Buffalo Jump, Frank Slide and Remington Carriage Museum, as well as historic Fort Macleod and Waterton Lakes National Park. The region boasted everything "from Mounties to mountains", so that became the theme of the marketing campaign.

This success strengthened relationships and demonstrated the possibilities of collaboration, which helped bring more ideas and communities together. In June 2003, 11 communities signed a joint venture agreement and formalized the Mounties to Mountains Economic Regional Initiative (**MMERI**), with the goals of growing the economy and promoting quality of life and opportunities for people living in the region.



Building Aboriginal Partnerships



Alberta's Aboriginal population is young and growing. It represents an increasing proportion of the province's labour force, and many Aboriginal communities are located in resource-rich areas. Partnerships with those communities can help strengthen regional economic development.

In 2003, Alberta Economic Development (AED), with the support of other government ministries, contacted the Northeast Alberta Information Hub (**HUB**) about a pilot project to increase Aboriginal community involvement in regional economic development. Together, they set up a steering committee, which also included representatives from Indian and Northern Affairs Canada and the four Aboriginal communities that are members of **HUB**. The committee retained an experienced Aboriginal consultant familiar with the region to conduct a series of community and stakeholder visitations with the region's 11 Aboriginal communities. These visits involved discussion with

elected officials, administrators and economic development officers about their views on regional economic development, their willingness to collaborate with **HUB** and what they felt was needed to build a successful working relationship with the alliance.

The resulting recommendations focused on increasing communications between **HUB** and local Aboriginal communities, building greater trust and understanding of each other's economic development goals and inclusion of Aboriginal communities into **HUB**'s training and promotional activities. **HUB** built the recommendations into its 2004-05 annual operations plan. On January 12, 2005, a gathering of Aboriginal community leaders and **HUB** members was held. "It was a good first step," says **HUB** chair Judy Woyewitka. "It gave them a chance to voice their issues." Both groups made a commitment to meet again. "This is really about building relationships," notes Woyewitka.

Meeting Labor Challenges



Skilled labour shortages

"Labour shortages were impacting all industries in the region," says Julia King, chair of the Central Alberta Economic Partnership (**CAEP**). "We needed to look at a way we could help, as a region, with some of the stresses that were beginning to appear."

The solutions to the overall problem were housed in various government ministries and other organizations, and needed to be pulled together. So **CAEP** took an innovative approach by creating a regional labour force working group. That group involved people from various provincial government ministries, regional colleges, industry associations, the Chambers of Commerce, Sunchild First Nation, Aboriginal Employment Services and the alliance. "Getting people involved was no challenge," recalls King. "The post-secondary institutions, for example, jumped on board. They wanted to be part of the solution."

The group came up with a Collaborative Labour Force Strategy, released in the spring of 2005. Regional labour groups, business organizations, and educational institutions, plus the federal and provincial governments, are working together in four areas: education and training, labour force participation, communication and program support, and recruitment and retention. The strategy includes 12 work plans, such as promoting careers in the trades to youth and participating in missions to attract skilled workers from outside the province.



Cattle Drive North

The Peace Region Economic Development Alliance (**PRED**A) wants to convince southern cattle ranchers thinking of relocating outside the province to look north in Alberta. "It's good cattle country," says **PRED**A chair Ron Longtin. "We have a good feed supply, water, and land is economically priced."

The alliance teamed up with Alberta Agriculture, Food and Rural Development, AED, **HUB**, and local feed, farm supply and agriculture-related organizations and businesses to create Alberta Beef North. The partnership conducted two key studies on the comparative costs of production and on southern producers' awareness of northern opportunities.

It then developed an information package on the beef industry in northern Alberta and a marketing plan. The implementation team, led by economic development officers, operates a website (www.albertabeefnorth.ca), attends trade shows around the province, holds town hall meetings in southern Alberta and publishes a newsletter featuring stories about people who have made the move north. Alberta Beef North has clear goals: an increase of five per cent in industry investment, of 10 per cent in herd size and of 30 per cent, or \$20 million, in cattle finishing operations over the next five years. Because it works with a range of partners, Alberta Beef North can respond to a variety of producer concerns.



Armed for Opportunity

The Defence Industry Development Project is a unique program jointly undertaken by the Palliser Economic Partnership (**PEP**), the Battle River Alliance for Economic Development (**BRAED**) and the Northeast Alberta Information **HUB** to explore how the presence of Canadian Forces Bases (CFBs) in their regions could boost local economic development. The Department of National Defence spent nearly \$1 billion on bases in Alberta in 2003-04, and has recently announced plans to create a 'superbase' at Wainwright. "Each year, \$50 million worth of purchasing is tendered out of Suffield, and that's just Suffield," notes **PEP** chair Alan Hyland.

Two activities laid the foundation for the partnership. First, in the Cold Lake region, the Cold Lake Technology Development Association, which includes **HUB**, was exploring opportunities for technology development. Aerospace came to the

forefront right away, due to excess capacity at CFB Cold Lake. The resulting study was shared with **PEP** and **BRAED**. Second, in the south, a conference on Unmanned Vehicle Systems was held in Medicine Hat in October 2004. It attracted military personnel from across Alberta and aviation and munitions companies from around the world. Both activities showed the potential of pursuing investment in military-related industries.

After that, the three regions worked with AED to develop a proposal that used the presence of military bases to attract foreign investment and pursue purchasing opportunities. The plan includes hiring a designated manager, identifying opportunities in the three regions, making business aware of those opportunities and making the military aware of what local businesses have to offer.



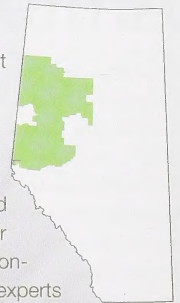
The Innovation Network

Good ideas can't produce results by themselves—they need to be researched, tested, financed and marketed. Connecting innovators and inventors to the people and services that can help them is critical.

But what if inventors and innovators live and work in communities far from the centres of research and finance? That was the challenge identified by the Peace Region Economic Development Alliance (PREDA). "Innovators were generally put in contact with the Alberta Research Council, Industry Canada or the Canadian Innovation Centre," recalls PREDA chair Ron Longtin. "But we needed local services for innovators, services to help them take their ideas through to the marketplace, delivered by someone they had built a relationship with and could trust with their confidential plans."

So the region hired a consultant to canvas entrepreneurs, innovators and

local businesses about stumbling blocks they encountered developing their ideas or adopting innovations. This research identified a major opportunity for the Peace region, in connecting innovators to experts in product development and marketing. "Rather than having one centre or one expert, we wanted a network of experts across the region, to give inventors greater access to concrete technical advice," says Jack O'Toole, acting chair of The Innovation Network. And in 2001, The Innovation Network was born.



The network helps local entrepreneurs develop innovative, commercially viable products and services, particularly in agriculture, energy and forestry, in two ways. First, it connects clients to experts who can help them with the technical steps of developing new value-added and manufactured products, such as initial patent searches, plans to move new products to markets, development of marketing plans or product testing.

Second, the network works to expand regional capacity to support innovation and product commercialization and grow a local culture of innovation. It uses regional experts and services, such as lawyers for intellectual property protection and the Community Futures Development Corporation for business planning. It runs public awareness campaigns to promote innovation, presents Innovation Awards and holds workshops for regional inventors and entrepreneurs.

The network provides a range of client services. Initial office visits, access to the Idea to Implementation web tool, www.theinnovationnetwork.net, which helps clients find the specific experts and services they need, and simple path finding help are free. The network charges fees for more extensive services such as on-site reports and match-making. **PREDA** members get a discount. Client services are confidential, to protect the value of the intellectual property of the innovator.

Services are tailored to the client. "Typically, someone will call us, then we'll have an initial meeting," explains Jim Smith, The Innovation Network's executive director. "We'll counsel them on what we can do for them, then either provide services or direct them to Alberta Research Council services. If we help them, our investment is in time and services, not funds. For example, we have been working with one client for about 30 months now. We've helped him create a product development program, research possible markets, assess his manufacturing process, plan a processing facility and con-

nect to the resources he needs to develop and operate the facility."

Workshops on a number of topics are also available to businesses and innovators in the region, in partnership with Grande Prairie Regional College and local experts.

Workshops run for either a half-day or full day, and can be customized to meet the needs of a specific company or group. The network also allows the region to explore larger business development challenges

related to new product development, such as local access to venture capital.

Over the last two years, the network has worked with Alberta Agriculture, Food and Rural

Development on ways to expand local agri-food processing into value-added products. The highly successful Learn Agri-Food Network is the result of this partnership. It provides a resource team to help Peace region agricultural producers and processors develop their products and ideas through networking, targeted training and mentoring. Agri-food processors meet each month in Peace River, Rycroft and Grande Prairie to share experiences in developing products, peer-to-peer.

The Innovation Network has had a positive response from **PREDA** members and community partners, and attracted the interest of economic developers across North America. In 2004, the network received inquiries from Ontario, Saskatchewan and Georgia about the Idea to Implementation workshop and the Idea to Implementation web tool. It also made presentations to rural economic development conferences in Alberta. The Innovation Network serves as an interesting model to promote client-focused innovation and network capacity building at the regional level and beyond. Other regional alliances could find value in **PREDA's** approach to the development of The Innovation Network. That would take regional innovation to a whole new level.

"We wanted a network of experts across the region, to give inventors greater access to concrete technical advice."

— Jack O'Toole

WORKSHOP BENEFITS GRANDE PRAIRIE BUSINESS

Dean Isley is vice-president of Risley Equipment Incorporated in Grande Prairie, a company that markets, engineers, produces and supports unique environmental equipment for use in the forestry and oil and gas industries in North America. In 2001, he was contacted by a consultant conducting market research on entrepreneurs' needs in the Peace region. He recalls spending a lot of time speaking to them on the challenges his company faced in patenting, producing and marketing products.

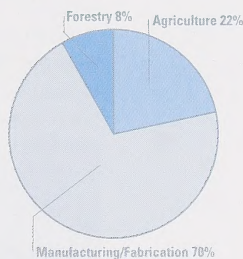
The consultant was from The Innovation Network, and Isley's interest and contributions led to an invitation to help direct the network. Isley was working with the network on the Idea to Implementation workshop curriculum when he realized his employees could benefit from it. He and 30 people from his company's engineering, service and marketing areas, who were working on a new multi-purpose machine for oil field, gas and forestry

work, spent a day in a workshop in late 2001.

"It was an eye-opener for people. Sometimes people become accustomed to taking an idea to a certain point, and no further," says Isley. "The workshop helped my staff take the momentum further, to move their thinking out of their own boxes,

and to understand that it takes everyone working together to make things happen. It was an innovative approach that attracted the attention of a diverse group of people. That's what innovation is all about."

THE INNOVATION NETWORK CLIENTS BY INDUSTRY:



From September 2004 to August 2005, over 4,500 visits were made to The Innovation Network's web tool.

Visit The Information Network website at: www.peacecountrycanada.com/innovation.aspx

Measure For Measure

Every REDA has a multi-year, strategic business plan, complete with key objectives and goals, but how does it know the strategies in the plan actually help it meet its goals?

BEST PRACTICES USED BY REDAS:

- Decision-making through consensus.
- Setting priority goals and measurable outcomes annually.
- Developing and maintaining web-based regional economic profiles.
- Basing investment opportunities on the region's competitive advantages and key industries.
- Building economic development capacity through training and partnerships.
- Communicating effectively to stakeholders.

The Greater Alberta Economic Region (GAER) took a good hard look at this question. "We started to develop our business plan for 2004-05," says chair Glenn Taylor. "We realized that we needed some way to measure progress—that we needed to be accountable to our stakeholders, including the provincial government and the people who live here. It's something that you would expect any business to do."

GAER had never had performance measures, and it's hard to show a return on investment for economic development activities. The alliance hired a consultant and got to work. It set priorities and selected performance measures that were outcome-based and that could be tracked, such as the number of new businesses, the value of commercial permits and the number of initiatives in the

business plan implemented each year. It developed a reporting structure so that performance on the measures could be reviewed at every board meeting. Each year, results will be used to make sure the business plan is still relevant and responds to changes in the overall business environment. In addition to fine-tuning the measures over the next few years, GAER is developing new structures that will help municipalities provide the region with needed information.

"Economic development can be very dependent on which way the wind is blowing on any particular day," notes Taylor. "A business-like approach is attractive. In addition, it helps a diverse group of people stay on track and on agenda at meetings, focused on what they want to do."

A Convenient STORE

Almost every REDA provided some form of training to its members or local businesses in 2004-05, hosting courses or workshops in investment readiness, export readiness, community economic development and governance.

If you need a litre of milk or a bag of chips, you go to a convenience store. In the Mounties to Mountains Economic Region Initiative (MMERI), if you are a public works manager and need a pump or a lawnmower, you go to the STORE, or System to Optimize Resource Employment.

In 2003, MMERI researched how inter-municipal cooperation and sharing could be improved in the region. The result was the STORE, an on-line database listing equipment available for sharing among public works departments of MMERI members. The virtual shelves

are filled with photos, specifications and contact information.

"With the STORE, you can see available equipment and resources immediately. And there are savings on both sides—the borrower doesn't have to purchase the equipment and the lender can recover some of his costs," says MMERI chair Randy Janisko.

One of the biggest challenges in creating the STORE was getting public works managers together—they live in a complex world of people, weather, machines and



Death and Discovery

Seventy-three million years ago, thousands of Pachyrhinosaurus bones were deposited along what is now Pipestone Creek, about 40 kilometres southwest of Grande Prairie. To children around the world, and many adults and scientists, there's nothing more exciting than new discoveries from the age of dinosaurs. Which is why the bones spell economic development to the Peace Region Economic Development Alliance (PREDA).

But economic development based on the site can't happen without a lot of preparation. PREDA, the City of Grande Prairie and the County of Grande Prairie, along with other partners, funded a feasibility study on development of a Pipestone Creek Dinosaur Interpretive Centre. The study plumbed the extent of the bed, proposed a design for a possible facility

and set out fund raising steps. A concept paper used information from the study to outline what the centre, called The River of Death and Discovery, would look like and the services it would offer to the public. Extensive geo-engineering and geo-technical work was completed in the fall of 2004. Finally, a study of the economic impact to the region was conducted.

By April 2005, PREDA, Grande Prairie and their partners had a complete picture of what they were dealing with, including geological conditions, costs and benefits, and were poised to make effective decisions about next steps. They are now raising funds for the centre's construction.

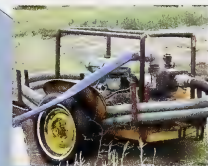
"You've got to have dedication," says PREDA chair Ron Longtin. "You've got to stick to it, be persistent, and believe in what you are doing. You have to convince others."



infrastructure and often face emergencies or unexpected problems. Success required persistent communication efforts to set up meetings at convenient locations and times that suited their schedules. "Once they all got together, they realized they had common issues, concerns and feelings and began exchanging ideas," says Janisko. "This good communication builds trusting relationships, which is essential for effective sharing."



SHARING
PUBLIC WORKS
EQUIPMENT



Marketing Power

Branding the Peace Country



The new logo



Dunvegan Bridge near Fairview

"Napa Valley in California is known for its wine," points out Ron Longtin, chair of the Peace River Economic Development Alliance (PREDA). "So we asked, what if we developed value-added products in the Peace Country better than anyone else's?" This question attracted a lot of interest, not just from Peace region businesses, but also from communities and businesses across the border in British Columbia's Peace region.

The idea was to create a brand that would link the area with quality, environmental stewardship and best practices, as well as distinguish its products from others. The brand would help local producers expand their markets and increase their revenues, strengthening the local economy. This would draw new businesses and investment to the region, particularly in the tourism, agri-business and education and training sectors. The goal was to reduce the Alberta and British Columbia Peace regions' dependency on resource industries, attract \$200 million in new capital investment and \$250 million in new foreign direct investment by 2010, and create more knowledge-based employment.

The Branding the Peace project began in 2004. A logo was designed that year, and

Peace region businesses began using it on their wares. To use the logo, producers must meet stringent product requirements, whether they make jams and jellies, films or lumber. Affiliation with the initiative is required if a business wants to participate in broader marketing activities, like the *Meet the North* trade show. A marketing plan has been developed for 2005-07, complete with billboards, ads and marketing slogans.

Results are beginning to be seen. Many of the project's business members are small producers, so the Branding the Peace logo is starting to show up at regional farmers' markets. Some producers are exploring opportunities in Vancouver and as far away as Germany.

REDI Reaches into the North

The Regional Economic Development Initiative for Northwest Alberta (REDI) is also building on its location. "You cannot get to the Northwest Territories by road without going through our economic region," points out REDI's former chair, Clark McAskile. "With the growth in the diamond mines and the proposed Mackenzie Valley Pipeline, we've seen a lot more traffic going through."

REDI is slowly building relationships with the Northwest Territories. It coordinated regional participation in the Hay River Trade Show and the Prospects North Trade Show in Yellowknife in 2004. A delegation from the region traveled to Yellowknife to meet with city and territorial governments to explore the potential for greater regional trade and cooperation. In addition, the region is studying opportunities that may flow from the Mackenzie Valley Pipeline. "The whole idea is to start looking north, instead of south, for opportunities," notes McAskile. The job is made easier by the fact that REDI members also have connections to key regional organizations, such as the Northwest Corridor Development Corporation.



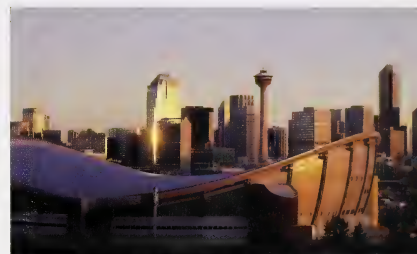
Calgary Region Showcases a Lifestyle

Quality was chosen as an advantage in another REDA marketing success—Alberta's quality of life, that is. In 2004, Imperial Oil announced it was moving its head office to Calgary. Convincing a company to relocate is one thing; convincing employees and families is another. When you are dealing with people's lives, you need to go beyond the showcase of access to markets, cost efficiencies and access to resources that convince business leaders. You need to sell a whole way of living, and you need to engage in a little one-on-one salesmanship.

So, Calgary decided to send out a welcoming party. It pulled together a 120-member delegation from the health authority, school boards, post-secondary institutions, sports teams and, most importantly, the Calgary Regional

Partnership (**CRP**) and surrounding communities. They traveled to Toronto and held a two-day Imperial Oil Family Fair.

Instead of competing with each other by developing individual promotional materials, 15 communities within **CRP** used a cooperative approach. They shared a booth at the event and jointly developed a brochure and a CD Rom with photos, local information and access to each community's website. They also partnered with the Calgary Real Estate Board to give presentations on the region and housing options every half-hour throughout the two-day event. "We drew 20 to 40 people to each session," recalls **CRP** chair Linda Bruce. "We were able to establish a real dialogue with people, answer any questions they had and sell the region as a great place to live."



Calgary: Selling a quality of life to Imperial Oil employees

International marketing was an important part of REDA work in 2004-05. Seven alliances took part in missions overseas and five welcomed international business missions to their regions.

Greater Edmonton Winning as a Region

A win for any community in the region is a win for all. That's the philosophy behind the Greater Edmonton Region Marketing Plan.

In 2004, the Alberta Capital Region Alliance (**ACRA**), together with the Greater Edmonton Growth Team and Edmonton Economic Development Corporation (EEDC) developed a new approach to attract investment, technology and skilled labour to the 23 communities in the Edmonton area. That approach draws communities together as a marketing team. "Each member community signed a protocol setting out key principles for their business and investment attraction activities," says **ACRA** manager Ken Woitt.

"Communities work with the region to market Canada, then Alberta, then the Greater Edmonton Region, then local opportunities," adds Kent McMullin, Director of Business Attraction, EEDC. "When a potential investor expresses interest in Greater Edmonton, that fact is shared among all

communities. Information from the region and any communities interested in that opportunity is put into a single package for the potential investor. We win as a region regardless of where they decide to invest."

The team approach is just one aspect of a detailed plan that supports growth in five key economic clusters: value-added petrochemical manufacturing, transportation and logistics, life sciences, manufacturing, and skilled labour. Marketing activities, such as business to business marketing and targeted media campaigns, focus on attracting expansion projects from Canadian firms and investment, technology and skilled labour from the United States and Europe. The plan promotes the region's strengths and opportunities to lead generation and site selection consultants and industry associations, and through Alberta's international offices and Canadian embassies and consulates.



Marketing the Alberta Capital Region

Creating Competitive Momentum

Knowing your strengths and building on them are essential to economic growth. Regional economic development alliances (REDAs) have taken several approaches to learning about their strengths and using those to pursue development, and in doing so have generated both economic momentum and interest in their activities.

Building on Assets

The Battle River Alliance for Economic Development (**BRAED**) is a group of 35 communities in east central Alberta. After developing its 2002-05 business plan, the **BRAED** board of directors decided to add value to its work by mapping community assets. Assets mapping involves members of a community in the identification of the assets they value.

From September to December 2004, **BRAED** held sessions in eight locations, inviting representatives from local communities to participate. In all, 124 people took part. Participants listed and ranked community assets in five categories: built, natural, economic, service and social. The participants were then divided into smaller working groups for each category of assets, and worked on questions about the asset's sustainability, opportunities and threats.

Participants left the sessions with a positive outlook on their communities. The process itself increased people's confidence in the region, as well as defined what they view as its key assets. Those assets primarily related to quality of life services and supports, such as health care, education and volunteerism. Suggestions for economic development of the region included improved use of local schools for adult education delivery and recreation, a full inventory of municipal services and facilities to promote sharing, and the pursuit of foreign direct investment. **BRAED** is now taking what it learned from the study and customizing it for each of the communities where sessions were held.

An International Appeal

The provincial government knows that attracting skilled labour from abroad can help meet labour shortages at home. Each year, it conducts Euromission, sending a team of people, which since 2003 has included REDA representatives, to key employment fairs in Europe.

The REDAs recognize Euromission's benefits to employers, their regions and the province. "Euromission allows us to get central Alberta's name out there," notes **CAEP** chair Julia King. "We showcase the quality of life as well as job opportunities—the two are linked." Alberta Capital Region Alliance (**ACRA**) chair Phyllis Kobasiuk notes another plus: "It addresses the needs of growth in this province, by bringing trained people in, and having them help our post-secondary institutions train Albertans. It's part of making the province turn."

REDAs are involved in laying the groundwork for the success of the missions. "We prepare a database, solicit businesses with job openings and follow-up afterwards with those businesses on the results," explains **ACRA** manager Ken Woitt. They also host foreign worker readiness seminars to ensure that employers understand the immigration process and the types of supports workers need once in Alberta.



"We showcase the quality of life as well as job opportunities—the two are linked."

— Julia King





Talking to Businesses

The Grizzly Regional Economic Alliance (**GROWTH**) is also assessing its strengths, from a business perspective. It started with a pilot business visitation project in the manufacturing sector. A list of 23 manufacturing companies was compiled, and the 21 active ones were asked to participate in a survey. Sixteen interviews were arranged. Companies were asked about their products, physical plant, company growth, market location, staff recruitment and financing. They were also asked if they considered the **GROWTH** region a good place to do business.

The project allowed **GROWTH** to gather both data and extensive qualitative information from manufacturing companies, which led to several recommendations about how its own services could be improved. "The visitation project also

heightened awareness of how much manufacturing is really going on and increased what businesses in the region know about each other," notes **GROWTH** chair Clayton Jespersen.

GROWTH plans to use the business visitation model in other sectors of the region's economy. It wants to obtain current data to support its economic development strategies, gather information on what businesses are planning to do over the next few years and build contacts among businesses and between businesses and current support services. "It's important to meet with businesses, and talk with them," says Jespersen. "We can let them know that **GROWTH** is around, get a better handle on their businesses and discover what their issues are."



"It's important to meet with businesses, and talk with them."

— Clayton Jespersen

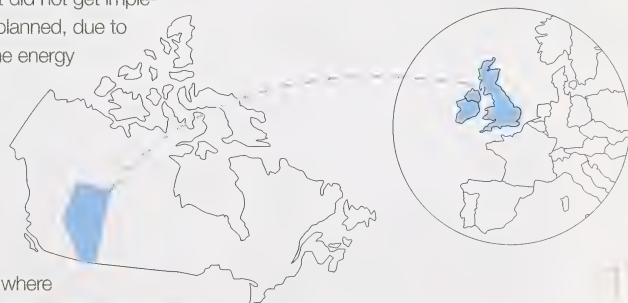
Central Alberta Seeks Links with UK

Once you know your strengths, you need to build on them. That's what the Central Alberta Economic Partnership (**CAEP**) did through a pilot project to attract foreign investment into its manufacturing sector.

CAEP launched the project last year, using consultants in Alberta and the United Kingdom (UK) as well as the services of Alberta Economic Development's UK office. In Alberta, a consultant prepared an inventory of more than 160 firms, including 78 top prospects for manufacturing expansion and foreign investment. In the UK, a consultant looked for firms interested in investing in Alberta's oil and gas sector and found 44 interested in hosting an investment attraction mission from Alberta. The Alberta list was further reduced to companies in the energy sector and six firms prepared business cases for a mission to the UK in March 2005. The mission resulted in visits to

Alberta by two UK firms and business contact by three.

While the pilot project did not get implemented as originally planned, due to a primary focus on the energy sector, it did result in some key benefits and learnings for **CAEP**. The alliance now has extensive knowledge of the plans of manufacturers in the region and where investment gaps exist. It has shown its ability to provide a meaningful link to foreign investment opportunities and also raised local awareness of **CAEP** activities. In the UK, awareness of investment possibilities in central Alberta has grown which may spill over into other areas of the economy.



Building Success Together

Think before you act. In business, this translates into planning. The following stories show how thinking through the steps helps regional economic development alliances design programs for businesses, identify opportunities and develop important infrastructure.

Succession Planning – the Regional Way



Fifty per cent of businesses in rural communities will lose their leaders in 10 years; 78 per cent will lose their leaders in 15 years.

You've owned and operated a bakery in town for more than 40 years. Your customers come from the town and surrounding farms and you sponsor the local hockey team. However, you want to retire. To you, the business is a large portion of your wealth; to your community, it is vital part of the local economy and social network. You haven't found a buyer for the store, but if you just close up shop, both you and the town are poorer. It's a difficult situation, but help is available.

Palliser Economic Partnership (**PEP**) recognized that it and other community organizations could play a role in helping business owners prepare for retirement. It worked with Entrecorp, the regional Community Futures Development Corporation, to develop a business succession model. "The model was driven by people in the area," says **PEP** chair Alan

Hyland. In Palliser, the community of Foremost was a trigger: three profitable businesses were for sale, with no prospective buyers.

The business succession planning model was piloted in Foremost, Bow Island and the County of 40 Mile. A survey of local business owners showed a need for succession planning: A town hall meeting was set up to allow experts, businesses and community organizations to share information with business owners considering retirement. Follow-up helped refine the succession model and led to the development of critical tools and partnerships to help business owners plan for retirement.

The succession model focuses on both individuals and communities. Individual business owners can develop succession plans using a planning checklist that prompts them to think about critical issues such as the future of their employees and tax matters. Communities can create awareness of the need to deal with the issues, build relationships to help business owners plan and help market the community to potential business investors. "There's value in the products," comments **PEP** chair Alan Hyland, "but there's also value in creating awareness, particularly among elected officials, that they have a role to play."

Corridors to Prosperity

Alberta is a partner in the development of the CANAMEX trade corridor, a 6,000 kilometre highway network that runs from Mexico to Alaska. This international trade corridor travels through the area of the SouthGrow Regional Initiative (**SouthGrow**), an alliance of 22 communities in south central Alberta. SouthGrow wanted to explore the opportunities in investment attraction, business expansion and tourism development the corridor offers.

In 2004, **SouthGrow** began Phase I of the Gateway to Alberta project. It hired a consulting firm to develop a report detailing all aspects of the \$3 billion Canada-United States trade that travels SouthGrow's portion of CANAMEX each year, including transportation infrastructure. This analysis provided a base for further exploration and opportunity identification. "The study affirmed what a lot of us knew were essential positives," notes Roelof Heinen, SouthGrow's chair.

Building on that research, **SouthGrow** began Phase II of the project, looking at value-added opportunities. This will allow development of business cases targeting companies or industries that could benefit from being located near the CANAMEX trade corridor. "We could, for example, see an intermodal container terminal being built here," suggests Heinen. "There could be a whole host of spin offs. We can look at other potential businesses, such as ready foods, confectionary, wind and solar power."



Airports – the Northern Lifeline

"Air transportation is extremely important to northern Alberta. We depend on it for business commuting, medical evacuations, freight and mail," says Clark McAskile, former chair of the Regional Economic Development Initiative for Northwest Alberta (**REDI**).

McAskile is deputy mayor of High Level, 450 kilometres north of Grande Prairie. Other communities in the region are even more remote. Ensuring good air transportation service is a basic for economic development. With an exploration grant from Alberta Municipal Affairs, and money raised through its fees, the alliance hired a consultant to look at the five municipally controlled airports within the region.

The study examined each airport's budget, traffic volumes, land availability

and municipal planning and jurisdiction, as well as the regional economy and the airline industry. Its key recommendations called for: more partnerships with industry,

airlines and the Grande Prairie airport to improve local air service; greater development at airports to generate revenues and improve services; and

changes to municipal planning documents in relation to airport use.

REDI is supporting a second phase of the project. Another study is looking at the best way to coordinate the activity of airports in the region while developing the potential of each. "Our region is growing rapidly," says McAskile. "Once our population gets to a certain level, there will be increased air traffic, and we'll be able to justify larger planes coming in. There will be greater economies of scale."

"Air transportation is extremely important to northern Alberta."

– Clark McAskile



Partnerships: Into the Future





Where to From Here?

Supporters of regional economic development alliances know that partnerships can build prosperity. They've used partnerships to pursue innovation, through projects like The Innovation Network and the STORE, and to sell Alberta, through participation in the Imperial Oil Family Fair and Euromission. They've used them to help communities and regional businesses find the people, services and investment they need to grow, as in the Collaborative Labour Force Strategy and the business succession model. And they've used them to facilitate long-term projects, like the River of Death and Discovery and Alberta Beef North.

Those partnerships show how regional economic development alliances strengthen the ability of communities and their leaders to promote growth and development where they live. This increased capacity is why Alberta's Regional Alliance Strategy leads the nation as a way to pursue economic development. Over the next few years, with the commitment and innovation that REDA leaders have already shown, the province's leading role in Canada will continue to grow.

The groundwork has already been laid. In the east, the Defence Development Investment Project is identifying targets for foreign investment attraction. In the north, the Branding the Peace initiative is opening new markets. In the south, the Gateway to Alberta project is exploring value-added product and service opportunities. In the west and central areas, asset identification projects have added to the ability of REDAs to attract investment, businesses and people.

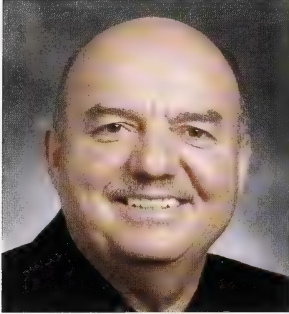
Partnerships with Aboriginal communities and the provincial government will also grow. "A big hope is to get Métis and First Nations communities involved—it's

important to labour force development and regional growth," notes Fred Estlin, chair of the Alberta Economic Development Authority's Regional Development Committee. In addition, REDAs are critical partners in the Government of Alberta's efforts to increase value-added production, attract skilled workers and maintain and strengthen the vitality of rural communities. "The province sees regional economic development alliances as a good way to do business," observes Rick Sloan, Assistant Deputy Minister of Alberta Economic Development's Industry and Regional Development Division.

As alliances help individual municipalities tackle challenges like keeping businesses alive and maintaining public services, they will be in a better position to attract new municipal members. As they work to attract the resources businesses need, they will draw more business participation. And as they continue to partner with each other and with organizations like chambers of commerce, industry associations and post-secondary institutions, their strength as agents of economic development will grow.



Message from the Minister



Powerful partnerships. That's what regional economic development is all about: people, communities, regions and businesses working together to meet common goals.

This publication chronicles a year in the life of Alberta's regional economic development alliances. These alliances grew over the past decade out of a common desire for communities to better themselves by thinking beyond their borders.

Someone once said that if you want to be incrementally better, be competitive, and if you want to be exponentially better, be cooperative. Well, that's what the stories in this publication are all about.

A handwritten signature in cursive script, reading "Clint Dunford".

Clint Dunford

Alberta Economic Development Minister

I am amazed at the variety of ways powerful partnerships are taking root in this province. Some focus on highways, pipelines, public works equipment and communication networks. Others look at specific industries like the beef or the defence industries. Others are looking at ways to encourage increased tourism. Still others are looking at human resource issues like the shortage of skilled workers, immigration, and the anticipated retirement of the baby boomers.

There's no question, the diversity of ideas reflect the diversity of this province. I congratulate those responsible for the accomplishments of our regional economic development alliances and the hundreds of Alberta communities they represent.

Message from the Chair



Over the past decade, more and more communities have joined together in regional economic development alliances to work towards a higher quality of life. But what does economic development mean for these communities?

For an entrepreneur in the Peace region, economic development is a local support network that assists with patent searches and marketing plans. For the community of High Level, economic development is the opportunity for more jobs with the arrival of the massive Mackenzie Valley Pipeline project.

A handwritten signature in cursive script, reading "Fred Estlin".

Fred Estlin

Alberta Economic Development Authority
Regional Development Committee

Regional economic development is about making the lives of Albertans better, something our alliances have been focused on for ten years. The majority of Alberta communities have recognized that we are not competitors in the pursuit of a higher quality of life. We are all partners who can achieve great things by sharing our ideas, resources and enthusiasm.

It's an exciting time to live, work and do business in Alberta. I look forward to working with our regional economic development alliances to make the Alberta Advantage a reality for all Albertans.

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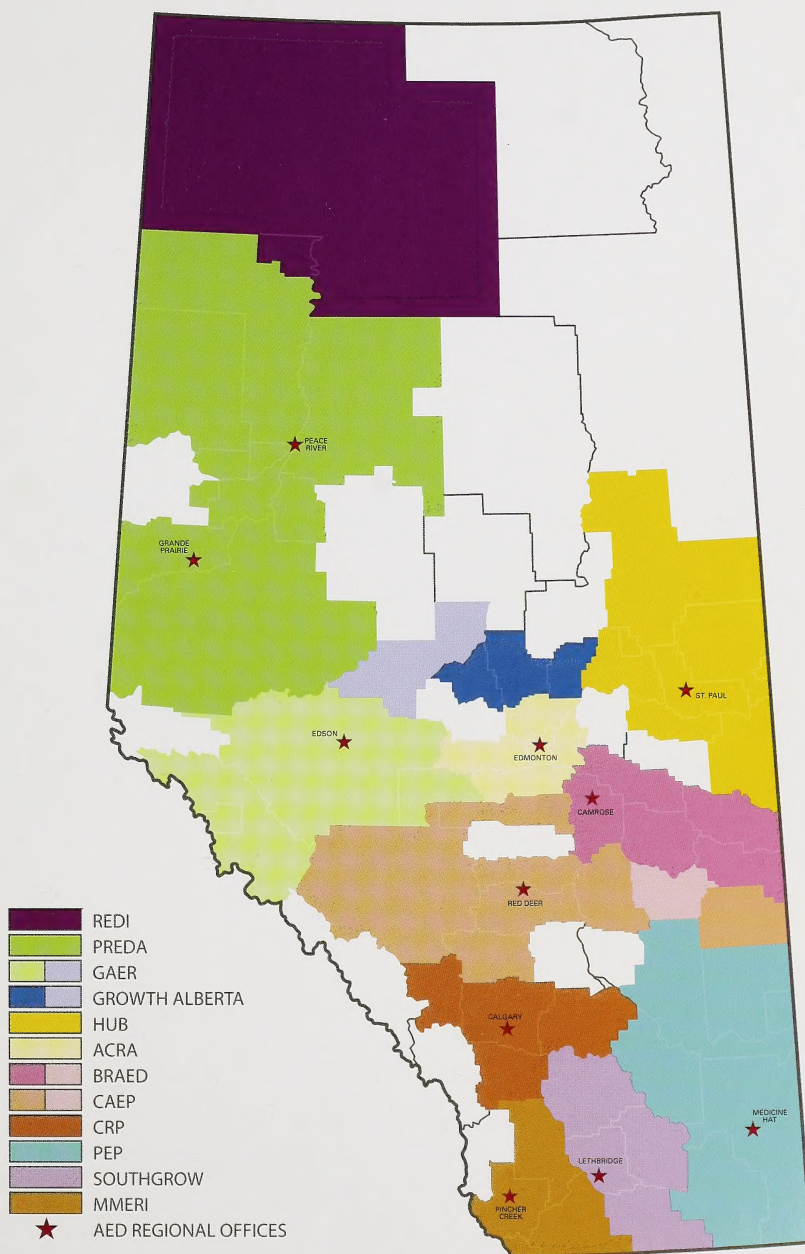
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Location of Regional Alliances (2004-2005)





“Powerful partnerships. That’s what regional economic development is all about: people, communities, regions and businesses working together to meet common goals.”

– Clint Dunford, Minister of Alberta Economic Development



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